However, the GDR issue was launched with a mandate to sell upto 20 crore shares with a price band of Rs. 125—Rs. 160 against the domestic price of Rs. 160 per share at the time of approval. The issue was withdrawn, inter alia, on account of extremely low demand even at the prices below the minimum approved price.

Amount Raised Through Crossholding of Equity Share in certain PSUs

964. SHRI NILOTPAL BASU:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to State:

(a) the total amount raised through crossholding of equity share among IOC, ONGC and GAIL;

(b) whether this amount has been used to make up the fiscal deficit; and

(c) if not, the purpose of the crossholding and the gains of these companies achieved through this transaction?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) IOC, ONGC and GAIL have bought a portion of Government equity in these companies, from Government of India. An amount of approximately Rs.4825 crore has been raised through cross holding of equity among IOC, ONGC and GAIL.

(b) Like other general receipts of Government of India, the disinvestment proceeds consequent upon the sale of Government equity through cross holding of equity among IOC, ONGC and GAIL have been credited to the Consolidated Fund of India and utilised in the manner approved by Parliament, as no expenditure can be incurred through Budget without appropriation, made by Parliament.

(c) Does not arise is view of (b) above. However, crossholding among these companies, which enjoy synergic advantage, will result in value creation for each one of them and will increase their attractiveness to investors.